



May 12, 2014

Announcement 733

## **Reimbursement Methodology for ESRD Providers Changes to Bundled Prospective Payment Rate**

Per the Medicare Improvements for Patients and Providers Act of 2008 (MIPPA), Medicaid has changed the process for its reimbursement to End Stage Renal Disease (ESRD) Facilities (provider type 45) from a composite rate to a bundled prospective payment system (PPS). The PPS will include all resources used in providing outpatient dialysis treatment, including biologicals and drugs.

Effective with claims with dates of service on or after May 12, 2014, provider type 45 must bill services using CPT code 90999 (Unlisted dialysis procedure, inpatient or outpatient), which will include all treatment associated with ESRD services. Any drugs administered not included in the PPS must be billed by NDC.

For a list of drugs included in the PPS refer to the CMS Manual System, Pub 100-04 Medicare Claims Processing, Transmittal 2134. For more information regarding the new reimbursement system, please refer to Section 153(b) of the MIPPA and the Code of Federal Regulations Title 42 Part 413.171.